

DEPARTMENT OF STATE REVENUE**LETTER OF FINDINGS NUMBER: 00-0345****Sales/Use Tax****For The Tax Period: 1997**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUES**I. Use Tax: Imposition**

Authority: IC 6-2.5-3-1 through IC 6-2.5-3-6

Taxpayer protests the assessment of tax on an aircraft.

STATEMENT OF FACTS

Taxpayer was a full year resident of Indiana in 1997. Taxpayer registered its aircraft, which was based at the White County airport, with the FAA on November 7, 1997. The department issued its proposed tax assessment on November 19, 1999 for the year 1997. The "Aviation Locator" indicates the aircraft was registered to WSCI from February 1, 1991 through February 19, 1997. Taxpayer states he does not have a sales/use tax liability since the aircraft purchase was out of state by an out of state resident and the aircraft was maintained out of state. Taxpayer further states that he remained an out of state resident for approximately three years following the purchase. The Department received notification that the taxpayer was the owner of the subject aircraft and found that the aircraft was not properly registered with the State of Indiana. On September 26, 1997, the taxpayer was informed that the aircraft was not registered and a proposed assessment would be issued if he did not reply within ten days of that letter. The department issued a proposed assessment based upon an average retail value for the type and year of the aircraft on November 19, 1999.

I. Use Tax: Imposition**DISCUSSION**

In numerous arguments, taxpayer states he does not owe sales/use tax on the purchase of his plane. He argues that he purchased the aircraft while an out of state resident in 1988.

FAA records, however, indicate the taxpayer was not the registered owner of said aircraft until 1997. IC 6-2.5-3-6 requires the owner to pay the sales/use tax to the registering agency when the person **registers** (emphasis added) the aircraft.

“The notice of proposed assessment is *prima facie evidence* that the department’s claim for unpaid tax is valid, and the burden of proving that the proposed assessment is wrong rests with the person against whom the proposed assessment is made.” IC 6-8.1-5-1 (emphasis added). Taxpayer has not submitted any evidence or documentation to rebut the validity of the tax imposed on said aircraft. Therefore, the Department finds that the assessment is valid.

FINDING

Taxpayer’s protest is denied.

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